

REGISTERED NUMBER: 2781237

ELITE HOMES GROUP LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012

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ELITE HOMES GROUP LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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ELITE HOMES GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2012

DIRECTORS

The Directors during the year were

D J Ritchie
J S Hill

COMPANY SECRETARY

M Palmer

REGISTERED OFFICE

The Manor House
North Ash Road
New Ash Green
Longfield
Kent
DA3 8HQ

Registered in England and Wales No 2781237

PRINCIPAL ACTIVITY OF THE GROUP

The principal activity of the group is that of residential property development

RESULTS AND DIVIDEND

The Company made a profit for the year ended 31 December 2012 of £35,000 (2011 £34,000)

The total distribution of dividends for the year ended 31 December 2012 was £nil (2011 £nil)

ELITE HOMES GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

DIRECTORS

The directors who served during the year and those who are currently directors are shown on page 1

At no time during the year has any director had a material interest in a contract with the Company, being a contract of significance in relation to the business of the Company

OPERATING RISK MANAGEMENT

The management of operational risk is recognised as a key component of the business and fundamental to the long term success of the Company. The Board recognises this and has systems in place both at Group and in its Regions to manage and reduce the exposure to risk. The key business risks include but are not limited to the following areas

Land

The ability to acquire sufficient land at acceptable margins across the Regions is fundamental to the long term sustainability of the Company. The risk is addressed by having experienced land teams at Group and Regions acquiring sites in accordance with the Company's strategy. The Company's land buying policy and procedures ensure the appropriate product is provided to the markets at the right price in the right location

Planning

The increasing delays and complexity of the planning system slows the growth of the Group. The progress through the planning system of all developments is closely monitored at both Regional and Group Board levels

Finance

The continued availability of adequate levels of finance is important to sustain the growth of the business. The cash flow is closely monitored through weekly reporting which is provided to the Group Executive. From a longer term perspective the cash requirements of the business are reviewed to ensure they meet the requirements of the long term strategy

Housing Market

The sensitivity of the housing market in respect of its stability and sustainability is monitored. It is a highly competitive market requiring a dynamic and innovative approach to marketing and selling

Construction

The availability of skilled labour continues to be a challenge. The Group has a trainee scheme in place to develop site managers

Health & Safety

The Group continually reviews its operations to ensure adequate systems are in place to minimise the high risk inherent in the construction process

ELITE HOMES GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

OPERATING RISK MANAGEMENT (CONTINUED)

Personnel

The quality, development, retention and attraction of key personnel are fundamental to long term growth. The Group has put in place a number of measures including annual formal appraisals and regular training to assist in retaining its best people. The Group also has a trainee scheme in place to develop skilled personnel for all the key disciplines directly employed in the business.

Donations

The company made no political or charitable donations in the current or prior year.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the Board


M Palmer
Secretary
24 June 2013

ELITE HOMES GROUP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclosure with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELITE HOMES GROUP LIMITED

We have audited the financial statements of Elite Homes Group Limited for the year ended 31 December 2012 set out in pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for the audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on the matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit


Shaun Kirby (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
London

26 June 2013

ELITE HOMES GROUP LIMITED

**PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 2012**

	Notes	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
TURNOVER		-	-
Cost of sales		-	-
GROSS PROFIT		-	-
Administrative expenses		-	-
Other Operating Income		35	34
OPERATING PROFIT	2	35	34
Dividends receivable	3	-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		35	34
Tax on profit on ordinary activities	6	-	-
PROFIT FOR THE FINANCIAL YEAR		35	34

The attached accounting policies and notes form a part of these financial statements

The results shown arise from continuing operations

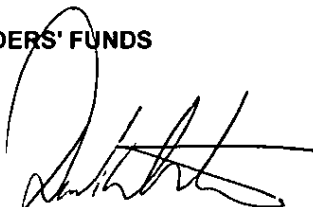
The company had no recognised gains or losses other than the amounts shown above

ELITE HOMES GROUP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	31 December 2012	31 December 2011
		£'000	£'000
FIXED ASSETS			
Investments	8	<u>10</u>	<u>10</u>
		<u>10</u>	<u>10</u>
CURRENT ASSETS			
Debtors	9	3,346	3,264
CREDITORS: Amounts falling due within one year	10	<u>(1,929)</u>	<u>(1,882)</u>
NET CURRENT ASSETS		<u>1,417</u>	<u>1,382</u>
NET ASSETS		<u>1,427</u>	<u>1,392</u>
CAPITAL AND RESERVES			
Called up share capital	12	-	-
Share premium	13	718	718
Capital redemption reserve	13	357	357
Profit and loss account	13	<u>352</u>	<u>317</u>
SHAREHOLDERS' FUNDS	14	<u>1,427</u>	<u>1,392</u>

D J Ritchie
Director



The financial statements were approved by the Board of Directors on 24 June 2013

The attached accounting policies and notes form part of these financial statements

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. The financial statements present information about the Company as an individual undertaking and not about its Group. Under Financial Reporting Standard 1 (revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. Under Financial Reporting Standard 8, the Company is exempt from the requirement to disclose certain related party transactions on the grounds that it is a wholly owned subsidiary undertaking.

Convention

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules, modified to include the revaluation of certain assets.

Turnover

Turnover principally arises from the sale of residential properties and land. Turnover and profits in respect of house sales, land sales and land exchanges are taken at the time of legal completion of the sale. Turnover does not include the sale of properties accepted in part exchange. The net profit or losses arising on the sale of part exchanged properties are dealt with in cost of sales.

Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation.

Depreciation is provided at such rates as will write off the cost of tangible fixed assets over their expected useful lives. The annual depreciation rates are:

Plant & machinery	straight line	25%
Fixtures, fittings and equipment	straight line	20%
Computer equipment	straight line	33 3%

Stock and work in progress

Land held for development, including land in the course of development until legal completion of sale, is recorded at cost and contains no additions for overheads. Land acquired on deferred terms through the use of bills of exchange is included based on the face value of the bill.

Options purchased in respect of land are capitalised and amortised over the life of the option to enable full amortisation at the date the option period ends. Options are reviewed for impairment on a regular basis and provision made accordingly to reflect loss of value. The remaining amortised value of the option at the date of exercise is included within the cost of land purchased as a result of the option.

Investments in land without the benefit of planning consent, either through purchase of freehold land or non refundable deposits paid on land purchase contracts subject to residential planning consent, are capitalised initially at cost. Regular reviews are completed for impairment in the value of these investments, and provision made to reflect any irrecoverable element. The impairment reviews consider the existing use value of the land and assesses the likelihood of achieving residential planning consent and the value thereof.

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Stock and work in progress (continued)

Raw materials and consumables are recorded at cost as invoiced by suppliers. Housing stocks and properties taken in part exchange are valued at the lower of cost and net realisable value. Work in progress is valued at prime cost of labour and materials with an addition for overheads other than those for general administration. Progress payments received and receivable from contracts are deducted from work in progress. Provision is made, where appropriate, to reduce the value of stocks and work in progress to estimated realisable value. Ground rents are held at an estimate of cost based on a multiple of ground rent income, with a corresponding credit created against cost of sales, in the year the ground rent first becomes payable.

Operating leases

Rentals under operating leases are charged to the profit and loss account as incurred.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax have occurred at the balance sheet date. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates enacted at the balance sheet date.

Segmental information

As the Company's only operation is that of a house builder and it is located entirely within the United Kingdom, no segmental analysis is required.

2 OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Operating profit is stated after charging

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Auditor's remuneration Audit	2	2
Non-audit - tax	-	-
Depreciation on owned assets	-	-
Loss on sale of fixed assets	-	-
Operating Lease Costs Other	-	-

All running expenses were met by Bovis Homes Limited and recharged in an all inclusive management fee.

3 DIVIDENDS RECEIVABLE

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Group Dividend Income Received	-	-

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

4 STAFF COSTS

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Wages and salaries	-	-
Social security costs	-	-
Other pension costs	-	-
Termination Costs	-	-
	-	-
The average number of employees during the financial year was	2012 Number	2011 Number
Office	-	-
Site	-	-
	-	-

5 DIRECTORS EMOLUMENTS

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Emoluments	-	-
Pension contributions to money purchase schemes	-	-
Compensation for loss of Office	-	-
	-	-

The Company has made no contributions to money purchase pension plans in respect of directors (2011 nil) during the year

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The Company incurred no tax charge in the year (2011 £nil)

Factors affecting the current tax charge

The current tax assessed for the period is lower than the standard rate of corporation tax in the UK

The differences are explained below

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Profit on ordinary activities before tax	35	34
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	9	9
Effects of		
Group income	-	-
Disallowed expenses	-	-
Depreciation in excess of Capital Allowances	-	-
Group relief claimed	(9)	(9)
Total current tax	-	-

7 DIVIDENDS

	Year ended 31 December 2012 £'000	Year ended 31 December 2011 £'000
Dividend - paid	-	-
	-	-

8 INVESTMENT IN SUBSIDIARIES

	Shares in Group Undertakings £
COST	
At 31 December 2012 and 31 December 2011	10,002

Investment in subsidiaries at cost less provision for impairment represents

Name	Holding	Activity in Year	Incorporated
Elite Homes (North West) Limited	100% Ordinary shares	Residential Property Development	England & Wales
Elite Homes (Yorkshire) Limited	100% Ordinary shares	Residential Property Development	England & Wales

ELITE HOMES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)

9 DEBTORS

	31 December 2012	31 December 2011
	£'000	£'000
Amounts falling due within one year		
Amounts owed by group undertakings	3,346	3,264

10 CREDITORS: Amounts falling due within one year:

	31 December 2012	31 December 2011
	£'000	£'000
Amounts owed to group undertakings	1,929	1,882

11 LEASE OBLIGATIONS

At the end of the year the group had no annual commitments under non-cancellable operating leases

12 SHARE CAPITAL

		31 December 2012	31 December 2011
		£	£
Authorised share capital:			
13,375 Ordinary	0 01	133	133
Allotted, called up and fully paid.			
13,375 Ordinary	0 01	133	133

13 RESERVES

	Profit & Loss Account £'000	Capital Redemption Reserve £'000	Share Premium £'000	Total £'000
Balance at 31 December 2011	317	357	718	1,392
Profit for the financial year	35	-	-	35
Balance at 31 December 2012	352	357	718	1,427

ELITE HOMES GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 (CONTINUED)****14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 December 2012 £'000	31 December 2011 £'000
Profit for the financial year	35	34
Dividends Paid	-	-
Net increase to shareholders' funds	35	34
Opening equity Shareholders' funds	1,392	1,358
Closing equity Shareholders' funds	1,427	1,392

15 CAPITAL COMMITMENTS

There are no capital commitments at 31 December 2012 (2011 £nil)

16 RELATED PARTY TRANSACTIONS

The Company is exempt under the terms of FRS8 from disclosing related party transactions with other group companies as it is a wholly owned subsidiary of the ultimate parent company

17 PARENT UNDERTAKINGS

The Company is a subsidiary undertaking of Bovis Homes Limited which is the parent company and is incorporated in the United Kingdom

The largest group in which the results of the Company are consolidated is that headed by Bovis Homes Group PLC, incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from The Company Secretary, The Manor House, North Ash Road, New Ash Green, Longfield, Kent DA3 8HQ

18 POST BALANCE SHEET EVENTS

There are no significant post balance sheet events